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Plan Assessment for Plan Year 2021

Clay County – 138

Participation Date – 8/1/1970

It's that time of year again — time to look at your TCDRS retirement plan and decide whether or not your benefits are adequate and affordable. This plan assessment will give you an overview of the benefits you provide as well as how much it will cost to provide these benefits in the upcoming plan year.

	2021 Plan
Basic Plan Options	
Employee Deposit Rate	7%
Employer Matching	150%
Prior Service Credit	140%
Retirement Eligibility	
Age 60 (Vesting)	10 years of service
Rule of	80 years total age + service
At Any Age	30 years of service
Optional Benefits	
Partial Lump Sum	No
Group Term Life	None
Retirement Plan Funding	
Normal Cost Rate	4.59%
UAAL / (OAAL) Rate	4.39%
Required Rate	8.98%
Elected Rate	11.00%
Total Contribution Rate	
Retirement Plan Rate (greater of required and elected rate)	11.00%
Group Term Life Rate	N/A
Total Contribution Rate	11.00%
Valuation Results (Dec. 31, 2019)	
Actuarial Accrued Liability	$17,257,418
Actuarial Value of Assets	$16,297,726
Unfunded / (Overfunded) AAL	$959,692
Funded Ratio	94.4%

Notes:

No COLAs have been adopted.

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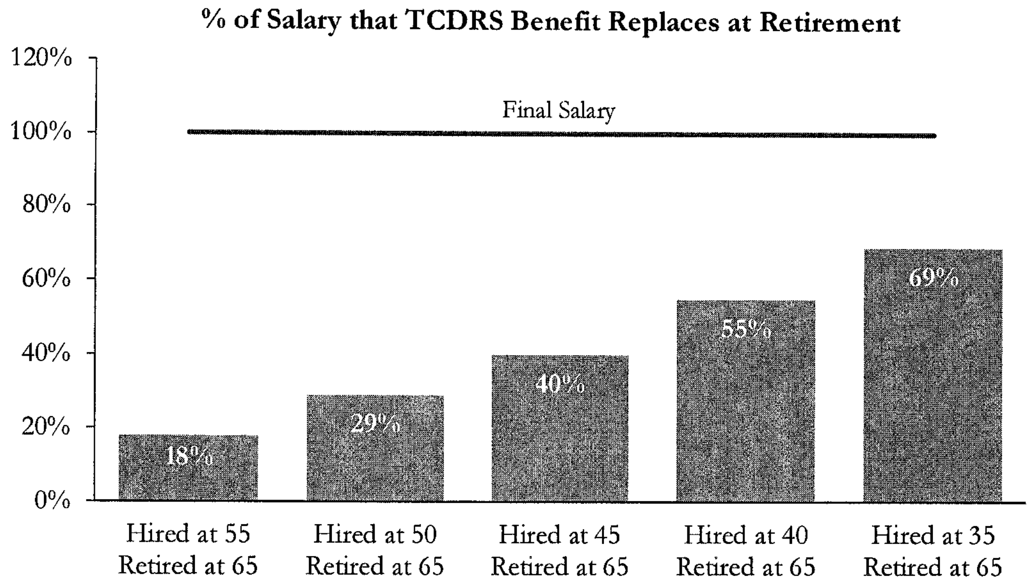
What You Are Providing

The TCDRS benefit is based on employee deposits, which earn 7% compound interest each year, and employer matching at retirement. The following chart shows the estimated TCDRS benefit as a percentage of final salary prior to retirement for a new hire:

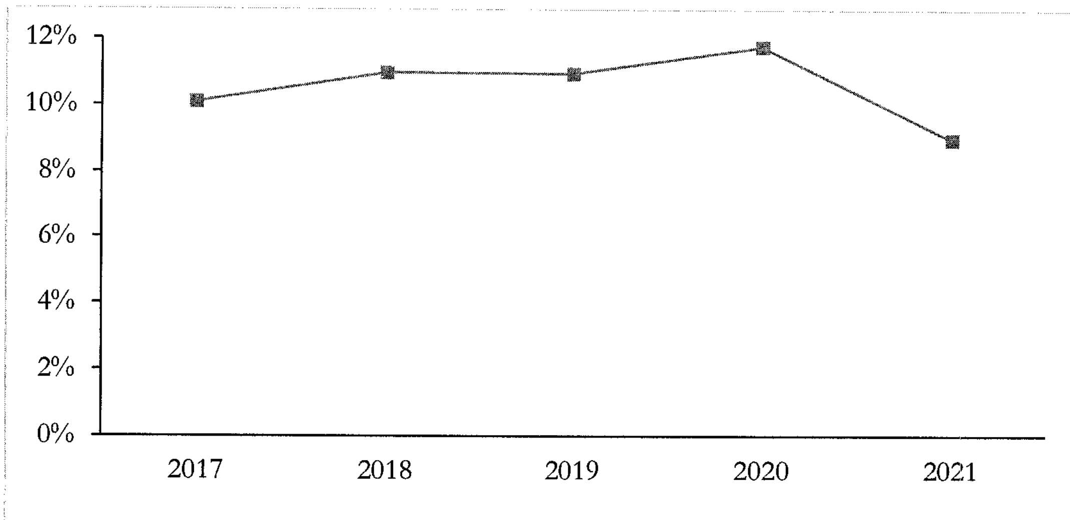


Assumptions

- Employees are new hires and will work for you until retirement.
- Your current plan provisions will remain in effect through employee's retirement.
- Current laws governing TCDRS will continue as they are.
- Graded salary scales give bigger raises early in careers, with smaller raises later in careers (see Summary Valuation Report at www.tcdrs.org/employer).
- Based on Single Life benefit.

Reasons for Rate Change

Below is a record of your required rate history for your retirement plan over the last five years.



Reasons for Rate Change	2017-2018	2018-2019	2019-2020	2020-2021
Beginning Rate	**10.11%**	**10.98%**	**10.96%**	**11.77%**
Plan Changes Adopted	0.57%	-0.23%	0.00%	N/A
Investment Return	0.36%	-0.12%	0.64%	-0.11%
Elected Rate/Lump Sum	-0.12%	-0.14%	0.00%	0.00%
Demographic/Other Changes	0.06%	0.24%	0.17%	-2.68%
Assumptions/Methods	0.00%	0.23%	0.00%	0.00%
Ending Rate	**10.98%**	**10.96%**	**11.77%**	**8.98%**
Valuation Year	2016	2017	2018	2019
Funded Ratio	87.4%	88.4%	88.5%	94.4%

A complete Summary Valuation Report for the Dec. 31, 2019 valuation will be available mid-May at www.tcdrs.org/employer.

Next Steps

If you are interested in making plan changes, please contact your Employer Services Representative at 800-651-3848. Your benefit selections are due by Dec. 15, 2020.

Special Note Regarding 2021 Plan Assessments and Investment Market Declines

All valuation calculations, including the required contribution rate, are based on the plan's funded status as of Dec. 31, 2019. Due to the coronavirus outbreak, investment markets have declined significantly in 2020. Unless a major market recovery happens this year, it is likely your plan will experience a substantial investment loss, which will cause required rates to increase. Because the valuation smooths investment gains and losses over five years to help keep rates stable, you can expect rates to increase over the next several years as the investment loss is recognized. A future market recovery could mitigate some of the rate increase.

As you review your benefit plans, please keep in mind that any benefit increases, such as a higher matching rate or a retiree cost-of-living adjustment, will further increase rates.

You may also want to consider making an additional contribution or adopting an elected rate to help buffer against future adverse plan experience. If your plan saw a decrease in the 2021 required contribution rate and does not already have an elected rate, you should consider adopting an elected rate that is at least equal to your 2020 required contribution rate.